

Housing Authority of the City of Charlotte
AGENDA
Regular Meeting of Commissioners

*Charlotte Housing Authority
Central Office
1301 South Boulevard
Charlotte, NC 28203*

June 19, 2007

5:00 p.m. - Regular Board Meeting Convenes:

Regular Meeting Agenda:

1. Public Forum
2. Additions to the Agenda
3. Consideration to Approve the Minutes for:
 - Regular Board Meeting held *May 15, 2007 (tab 5)*
4. Resident Advisory Council (RAC) Report
5. Monthly Report from the CEO
 - Monthly Scorecard **(tab 1)**
 - MTW Update
 - Administrative Budget Changes **(tab 2)**
 - Budget to Actual Reports (BAR) Final Unaudited March 2007 **(tab 2)**
6. Committee Reports:
 - Client Relations Committee
 - Development Committee
7. **Consent Agenda Action Items:**
 - A. Policy and Procedures for the Use of Outdoor Common Areas in CHA Communities **(p.1)**
 - B. Live Oak Seniors Funding Allocation **(p.3)**
 - C. Seigle Point Apartment Homes **(p.4)**
 - D. 940 Brevard Conveyance of Property **(p.5)**
 - E. Live Oak Multifamily Apartments Loans for Redevelopment **(p.6)**
 - F. Montgomery Gardens Bus Terminal Easement **(p.8)**

Consent Agenda:

Consent Agenda items for the June 19, 2007 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

7. A CHA Policy and Procedures – Use of Outdoor Common Areas

Action: Resolution No. <u>1481</u> to Recommend Board of Commissioners to Approve the Policy and Procedures for Use of Outdoor Common Areas in CHA Communities.
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Staff Resource: Troy D. White

Strategic Business: Operations

Strategic Goal: Provide Highest Quality Real Estate Management Services

Explanation:

A request for use of the Outdoor Common Areas of a housing community may be presented, by any individual or organization, to the Housing Manager.

The request must be a written proposal including the following information: a) name, address, and telephone number of the organization proposing the event; b) name of the contact person for the organization; c) purpose for which the use is requested; d) target audience; e) number of people expected to attend the event; (f) proposed activities; (g) a copy of the “Declarations of Coverage” for the organization’s general liability insurance policy (including sexual abuse) in the minimal coverage amount of \$5,000,000; and (h) if applicable, evidence of worker’s compensation insurance coverage as required by state law.

The written proposal must also include all security measures that the individual or organization will have in place to insure safety of those who attend the event inclusive of off-duty police officers and/or private security personnel to patrol the area during the event.

A proposal will not be considered for approval unless the proposed activity either contributes to an improvement of the quality of the lives of the community’s residents, or promotes self-sufficiency.

Initial joint approval of the proposal is required by the Resident Organization at the site and the Housing Manager for the community in which the event is proposed. In the event either the Resident Organization (or Resident Advisory Council) or the Housing Manager does not approve the proposal, it shall be the

responsibility of the Housing Manager to immediately advise the individual or organization in writing of the disapproval of the proposal. Said letter shall specifically state the reason for the disapproval of the proposal.

If the Resident Organization (or Resident Advisory Council) and the Housing Manager both approve the proposal, the proposal shall then be presented to both the Asset Management Department and the CHA Legal Department for final review and approval. Upon final approval, the CHA Legal Department will prepare a contract to establish the obligations of the requesting individual or organization. In order to obtain a contract by the event date, the proposal must be submitted to the Legal Department at least thirty (30) days prior to the event date.

All organizations, including faith-based organizations, shall have equal access to the outdoor common areas, assuming all the above-described criteria is met. All activities must be open to the entire CHA community, without charge. No alcoholic beverages, illegal drugs, or weapons will be allowed on the premises at any time.

It will be the responsibility of the organization contact to insure that the area is thoroughly cleaned immediately following the end of the event. A failure to clean the area may be grounds for denial of future use of any area of the community and a charge by CHA to clean.

CHA may require a security deposit, depending on the nature of the event, to insure that the outdoor common area(s) will be restored to its original condition.

Committee Discussion:

The Client Relations Committee met on June 13, 2007 and unanimously approved to recommend the Board of Commissioners to approve Resolution 1481.

Funding: None

Attachment: Resolution 1481 (Tab 3)
Common Areas Policy and Procedures (Tab 4)

7. B Live Oak Seniors Funding Allocation

Action:	APPROVE RESOLUTION No. 1479 WHICH AMENDS RESOLUTION NO. 1397 TO INCREASE THE HOPE VI LOAN AMOUNT FROM \$1,818,042 TO \$1,955,518 AND AUTHORIZE STAFF/CEO TO NEGOTIATE AND EXECUTE TERMS AND DOCUMENTS NECESSARY AND APPROPRIATE FOR THE DEVELOPMENT OF LIVE OAK SENIORS INCLUDING BUT NOT LIMITED TO NECESSARY LOANS AND LAND LEASES.
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Staff Resource: Kathleen Foster and Twyla Taylor

Strategic Business: Real Estate Development

Strategic Goal: Maximize Economic, Physical, and Social Value of Real Estate Portfolio

Explanation:

In July 2006 the Board of Commissioners authorized a loan commitment of up to \$2.4 million consisting of \$1,818,042 in HOPE VI and \$535,341 in reduced land lease payment. Since that time construction costs have increased significantly leaving a substantial gap in our construction budget. The team has worked diligently to close this construction gap by conducting extensive value engineering and other means to cut costs.

To help offset the gap, the CHA would like to increase the HOPE VI loan amount from \$1,818,042 to \$1,955,518. By providing the additional HOPE VI funds the number of ACC units will increase from 16 to 17 units. This amount also includes \$288,311 in extraordinary site cost associated with the underground parking structure. The proposed increase would result in a CHA leveraged cost per affordable unit of \$39,110.

As a result of this proposed increased HOPE VI funding and diligent value engineering, the construction gap can be reduced from \$500,000+ to approximately \$37,000. The team will continue to conduct value engineering and identify other opportunities to close this gap including deferring developer fees.

Authorization from the Board of Commissioners is requested to amend Resolution 1397, to increase the HOPE VI amount from \$1,818,042 to \$1,955,518.

Authorization is also requested for staff/CEO to negotiate and execute terms and documents necessary and appropriate for the development of Live Oak Seniors including but not limited to necessary loans and land leases.

Committee Discussion:

The Development Committee discussed and approved this agenda item at the meeting on June 13, 2007.

Community Input: None

Summary of Bids: N/A

MWBD Consideration: N/A

Funding:

HOPE VI	\$1,955,518
HTF	\$ 600,000
Tax Credit Equity	\$4,168,801
State Tax Credit Equity	\$ 476,210
<u>Deferred Developer Fee</u>	<u>\$ 37,881</u>
TOTAL	\$7,238,410

Attachment: Resolution 1479 (Tab 3)

7. C Seigle Point Apartment Homes

Action: Approve Resolution No. 1484 which Amends Resolution No. 1350 and Authorize an Increase in HOPE VI and Replacement Housing Factor funds for Seigle Point Apartment Homes from \$8,000,000 to \$8,875,000 and Authorize the CEO to Negotiate and Execute any and all Documents Necessary and Appropriate to Accomplish the Development of the Project.

Staff Resource: Michelle Allen

Strategic Business: Real Estate Development

Strategic Goal: Maximize Economic, Social and Physical Value of Real Estate Portfolio

Explanation:

The Board approved Resolution No. 1350 on February 21, 2006. This approval authorized an investment of approximately \$8M in HOPE VI and Replacement Housing Factor Funds for the Crossings at Seigle Point (renamed Seigle Point Apartment Homes).

Since the Board’s action in February 2006, the project has secured all of the needed funding sources and a Mixed Finance Proposal was submitted to HUD on May 22, 2007.

The proposed debt and equity financing including this requested increase in HOPE VI funding would be as follows:

- Apollo Housing Capital, LLC (LIHTCs equity) \$9,799,020
- HOPE VI \$8,032,000
- Bank of America (construction bridge loan) \$3,374,563
- NC Housing Finance Agency (NC LIHTCs loan) \$2,529,431
- City of Charlotte Housing Trust Funds \$1,819,579
- CHA Replacement Housing Factor Funds \$843,000
- Federal Home Loan Bank Affordable Housing Program \$500,000

Initially, the Seigle Point development team had envisioned a separate community center at an estimated cost of \$1.5 - \$1.8M. In working to value-engineer and cut costs, the team designed a plan that provided additional space for community services by adding a second floor to the original building's footprint. The cost of the new 10,984 sf community facility is estimated to be \$875,000. An array of community services will be provided in this new larger facility and will include an after school program to be operated by Seigle Avenue Partners, a computer lab, a large community room, multi-purpose rooms, management offices, maintenance areas, laundry facilities, other offices for program related activities and workroom.

With the requested increase in HOPE VI financing, the CHA leveraged investment per affordable unit is \$43,348.

Committee Discussion: After one clarification was made concerning the funding listed in the report, the Committee recommended approval of the request.

Funding: HOPE VI Funding

Attachment: Resolution No. 1484 (Tab 3)

7. D 940 Brevard Conveyance of Property From CHA To Horizon Development Properties, Inc.

Action: Approve Resolution No. <u>1485</u> To Authorize the Conveyance of Property from CHA to Horizon Development Properties, Inc.
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Staff Resource: Jeff Meadows

Strategic Business: Real Estate Development

Strategic Goal: Maximize the economic, physical and social value of our real estate portfolio

Explanation:

On December 15, 2005, the Board approved Resolution No. 1260 to authorize funding for 940 Brevard Senior Apartments. The approval of Resolution No. 1485 will authorize a land transfer necessary for the development project to proceed. The development parcel has been sub-divided into two tracts of land. Tract 1 will be developed by 940 Brevard, LLC to provide 100 units of Senior Housing. Tract 2 is planned for future development of a multi-family project. To facilitate the current and future development an easement agreement is needed for access, parking and improvements. To allow the easement to gain legal standing the ownership of the parcels must be different.

Committee Discussion:

The Development Committee unanimously recommended approval.

Attachment: Resolution No. 1485 (Tab 3)

7. E Live Oak Multi-Family Apartments Loans For Redevelopment

Action: Approve Resolution No. 1486 To Amend Resolution No. 1382 to Authorize Loans of Approximately \$4.6 Million in First Ward HOPE VI, Replacement Housing Factor Funds and Land Sales Proceeds for the Live Oak Multi-Family Apartments.

Staff Resource: Jeff Meadows

Strategic Business: Real Estate Initiatives

Strategic Goal: Maximize the economic, physical and social value of our real estate portfolio.

Explanation:

The Board approved \$3.5M in funding on June 20, 2006 to assist the Charlotte Housing Authority (CHA) in conjunction with Banc of America Community Development Corporation (BACDC) in submitting a Tax Exempt Bond/Tax Credit Application to the North Carolina Housing Finance Agency (NCHFA) and a City of Charlotte Housing Trust Fund (HTF) application to redevelop the Live Oak community. Both applications were successful. Plans still include reconstructing a portion of the site, where the former 32 Public Housing Units existed that were demolished, into a mixed-income community comprised of up to 176 family units to include up to 36 ACC units and/or Section 8 units.

Loans from the HOPE VI, RHFF and Land Sales Proceeds in the amount of \$4.6M, an increase of \$1.1M over the previous Board approved amount, are

included as project resources. The amount of HOPE VI/RHFF funds requested for this phase will not exceed Total Development Cost (TDC) limits established by HUD. The additional funding requested is required to address rising operating cost and increasing the number of ACC units in the development. The rising operating costs are due primarily to increases in insurance and property taxes. The impact on the Net Operating Income has reduced the amount of borrowing capacity (bond funding) for the project. To address this situation, staff is recommending adding 7 additional ACC units. The added units provide lower cost capital which replaces the lost bond funding. HUD has increased the TDC allowed for 2007 and staff is requesting "extraordinary site cost" approval. The combination of the new TDC and the extraordinary site cost inclusion allows an increased amount of HOPE VI to be included. Note: The First Ward HOPE VI Funding is subject to recapture by HUD and must be committed to near term projects; otherwise the funding may be lost.

BACDC requires a call in year five to cover their interest in the project, which may include private equity funding and deferred developer's fee. Upon execution of the call, CHA intends to exercise its option to take BACDC out and receive all cash flow from the project. CHA intends to acquire BACDC's position to add the value of the project to the portfolio and control the future of the site. CHA has structured an agreement to allow "cash flow contingent notes" to cover any outstanding BACDC obligation in lieu of a "cash payment" to accommodate BACDC's exit from the project ownership structure. If CHA does not perform, BACDC will be permitted to allow another investor to acquire BACDC's position with similar terms and conditions held by BACDC. This is not anticipated to occur.

Committee Discussion:

The Development Committee unanimously recommended approval.

Funding: HOPE VI/RHFF/Land Sales Proceeds \$4,600,000

Attachments: Resolution No. 1486 (Tab 3)

7.F Montgomery Gardens Bus Terminal Easement

Action: Approve Resolution No. 1487 to approve a permanent easement to the City of Charlotte to construct a passenger bench and/or bus shelter at Montgomery Gardens.

Staff Resource: Twyla Taylor

Strategic Business: Real Estate

Strategic Goal: Maximize Economic, Physical, and Social value of Real Estate Portfolio

Explanation:

The Charlotte Area Transit System (CATS) has agreed to build a public bus shelter on the grounds of Montgomery Gardens behind the public sidewalk along Beatties Ford Road. CATS will construct, install and maintain a passenger bench and bus shelter in good condition and repair as an upgrade to the present bus stop. In order to construct this shelter a permanent easement is required. CATS will maintain comprehensive general liability insurance covering its use of the easement and has outlined these and other provisions in a Permanent Bus Shelter/Bench Easement Agreement. This request has been submitted to HUD and staff is awaiting approval of same.

Committee Discussion:

Motion passed unanimously

Community Input: None

Funding: None

Attachment: Resolution No. **1487** (Tab 3)

**MINUTES OF THE REGULAR BOARD MEETING
OF THE COMMISSIONERS' OF THE HOUSING
AUTHORITY OF THE CITY OF CHARLOTTE
HELD ON TUESDAY, MAY 15, 2007**

The Commissioners of the Housing Authority of the City of Charlotte, North Carolina held a regular meeting at the *Charlottetown Terrace, 1000 Baxter Street, Charlotte, NC 28204* at 1:45 p.m. on May 15, 2007.

Present: Commissioner Dan Page, Chairman
Commissioner Sandra Peters, Vice-Chairperson
Commissioner Will Miller
Commissioner Rodney Moore
Commissioner Chris Moffat

Absent: Commissioner Montega Everett

Also Present: Charles Woodyard, CEO
Sherrod Banks, General Counsel

Public Forum:

No speakers present; therefore the public forum was closed.

Additions to the Agenda:

None recorded.

Consideration to Approve the Minutes for:

- Regular Board meeting held *April 17, 2007*

ACTION:

Motion to approve:	Commissioner Moore
Motion was seconded by:	Commissioner Peters
Outcome of the vote:	Passes unanimously

Special Presentation for Jeanette Foster:

Chairman Page introduced Mr. Woodyard, CEO, to make the presentation. Ms. Jeanette Foster, Property Manager, has been with the Charlotte Housing Authority for 35 years. On behalf of the Charlotte Housing Authority, Mr. Woodyard presented a plaque of appreciation to Ms. Foster. Ms. Foster's daughter and pastor, Mr. C. Don Steger of Reeder Memorial were present for this occasion. Mr. Woodyard stated that his perception of Ms. Foster is that she didn't get into this business to make a lot of money; she got in this business to give back to people. He has seen Ms. Foster counsel her residents and be more than just a property manager. This has been an important endeavor for this young woman. Her pastor gave a few brief remarks. Ms. Foster spoke briefly

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about some of the high points of her career with CHA. Ms. Foster then thanked everyone for the plaque and honoring her for years of dedication.

Government Finance Officers Association (GFOA) Presentation:

Mr. Woodyard introduced Ms. Heather Franklin, Director of Accounting, to give the presentation in Mr. Ralph Staley, CFO's, absence. Ms. Franklin introduced Ms. Jackie Huffman, who is currently the Finance Director for the town of Cornelius and the past-president of the NC Government Finance Officers Association (GFOA) as well as a state representative of the National GFOA. Ms. Huffman stated she was honored to present the Authority with a Certificate of Achievement in Financial Accounting Reporting. The certificate of achievement program is more than 60 years old and the purpose of the program is to encourage and assist governments in preparing financial reports of the highest quality to benefit the various stakeholders with an interest in the Housing Authority's finances. This award represents conforming to a very demanding criterion which goes well beyond the minimum requirements. CHA's financial statements have undergone a significant review from an independent panel of accounting professionals and we have passed the test. This is the second time that the authority has received this honor. On behalf of the GFOA the award was presented to the Charlotte Housing Authority.

Resident Advisory Council (RAC) Report:

The report was presented by Ms. Janice Belk, RAC Secretary.

- RAC held its Quality Circle meeting on April 24th.
- On May 2nd there was a luncheon meeting held with Ms. Linda Johnson, RAC attorney, to discuss the MTW initiative.
- RAC provided transportation for various CHA communities to take residents to Wal-Mart and out to eat.
- May 10th RAC submitted an end-of-the year financial report from the resident participation fund.
- RAC will be visiting various communities to assist them in understanding the Moving-to-Work initiative.
- May 8th RAC held their monthly meeting.
- On May 14th Meadow Oaks hosted a disaster workshop from the Red Cross.
- Hall House held an awards ceremony, on May 14th, to honor some hard-working residents who will be moving to Prosperity Creek.
- Charlottetown Terrace will be hosting an awards ceremony for hard-working and dedicated residents.
- On May 22nd, the RAC Quality Circle meeting will be held at Strawn Apts. Community Center.

Monthly Reports from the CEO:

Monthly Balanced Scorecard Report:

Mr. Woodyard, CEO, gave the update:

On page one, tab 1, our Section 8 voucher utilization is slightly down, which reflects our effort to hold some additional vouchers for Prosperity Creek and McAden Park. We are holding those out to do some project based Section 8 at those communities. On page two, the vacancy prep trend is slightly improving. Boulevard Homes had slightly increased due to an increase in make-ready time. Referring to the privately managed sites, McAlpine and Glen Cove continue to be a challenge. McAlpine which is a Seniors project had a few move-outs and deceased residents. This caused our vacancy turn time to increase minimally. We are working with the property management group, Lane Management, at McAlpine to do marketing for Glen Cove. A meeting is scheduled with Lane Management, later in the week to discuss the marketing strategy. If Lane does not turn this around, there are penalties in the management contract which will be enforced.

MTW Update:

Mr. Woodyard, CEO, stated that the latest update we have is receipt of an Attachment A which is the funding notice that accompanies the MTW agreement. The Attachment A commits us to the 2006 funding level. It was stated that there was a meeting last week with the Charlotte-Mecklenburg School System representatives Barbara Pellin, Dr. Anderson's representative Renee Leake, and John Richards of the CHASF in an effort to discuss the formation of a partnership to look at education initiatives for the children in public housing which will fall under MTW. A key component of our MTW plan will be focused on the children in public housing and education. When the MTW document is completed you will see issues surrounding truancy and hopefully an agreement between the school system, scholarship fund, and Communities in Schools to mentor our children, as well as to waive some confidentially rights that they have in an effort to look at their grades to assist where necessary.

Preliminary Budget to Actual Report (BAR) March 2007:

Heather Franklin, Director of Accounting, gave the following report.

Behind tab 2 you will find the entire preliminary BAR reports for the year-ending March 31. The final BAR reports will be included as part of the Audit Report when issued. All issues were discussed at the Finance Committee meeting and asked if there were any specific questions. Commissioner Jones asked for an explanation regarding the difference on the Section 8 statement. This statement shows that we received \$34,600,000 of HUD payments; however, we only spent \$29,700,000 in payments to landlords going out. Heather stated that this is all related to the same funding issue as we are being funded as we were back in 2006. All payment standards were cut to 100% of FMR. This is the money we are using from last year to this year to assist in funding the Moving-to-Work initiatives. If we do not get our Moving-to-Work initiative finished then we have to go backward to 2007 all money will be slashed and we will have to give back the money.

Preliminary Cash Balance and Restriction Report March 2007:

Heather Franklin, Director of Accounting, gave the following report:

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Referencing tab 3, this report was also discussed at the Finance Committee. A final document will be issued with the Audit Report. There were no comments.

Administrative Budget Changes:

Heather Franklin, Director of Accounting, gave the following report:

In accordance with the resolution that was approved by the Board which was adopted at the same time as the Operating and Grant Budgets it stated that the CEO or his designee can transfer funds in the amount not to exceed \$50,000 in the operating budget and \$100,000 in the grant budgets. Furthermore any such transfers should be reported at the regular Board meeting and be included within the minutes to the Board showing the actual results that are discussed and the transfers that took place during that time period. All information regarding this Administrative Budget change period have been mentioned in this Board package.

Committee Reports

Client Relations Committee:

The update was given by Commissioner Rodney Moore:

- The meeting took place on May 2, 2007.
- Discussion of the Moving-to-Work update. The final agreement from HUD was received on April 27, 2007. There is a two week review period for the final draft version. CHA is hopeful that the new agreement will be ready for signature by July or August of this year. There was an update on Attachment A and we are hoping to get funded at the 2006 level. CEO has reported that has happened and we will have to move forward.
- Brief discussion of a planning session or some type of interaction with the full Board about the in-depth detail of the MTW agreement.
- Ms. Shaunte Evans gave an update on the MTW Annual plan.
- Referring to new business; there was discussion concerning Siegle Point. A new resolution had to be prepared to reflect some price cost changes due to the market fluctuation.
- There was a report from the Center for Allied Research. They did an assessment of our residents and there was very good information received.
- Also Mr. Woodyard, CEO, mentioned the meeting with Communities-in-Schools (CIS) and gave updated information regarding the partnership.
- Brief discussion on a preliminary draft on our crime prevention plan with Mr. Allison Preston, Director of Resident Safety, and Mr. Troy White, COO, which will be implemented in more of our senior high-rises. (i.e.Charlottetown, Hall House, Parktowne Terrace)

Development Committee Meeting:

A brief update was given by Commissioner Jones:

- The meeting also took place on May 2, 2007.
- Detailed discussion and they are recommending an item listed on the Consent Agenda regarding the CHA's participation in the Brooklyn Village redevelopment.

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- Received a report on the construction and budget issues involving the Live Oak Seniors project.
- There was discussion in executive session/closed session some issues regarding the First Ward Apartments Development. Also an update on Boulevard Homes charette process and were led by Ms. Shaunte Evans, Chief Administrative Officer, through an example of the application of the asset management model using Savannah Woods as an example.
- Ms. Kathleen Foster, VP of Real Estate Development, introduced a new consultant developer, Mr. Allen Collins.

Finance and Audit Report:

A brief update was given by Vice-Chairperson Sandra Peters:

- ✓ The meeting also took place on May 2, 2007.
- ✓ Most items discussed in the meeting are listed under the consent agenda items.
- ✓ Specifically listed under the budget amendment there was discussion of \$25,000 for sub-floor repairs and terminate treatment at Seneca Woods. Due to the structure they cannot increase the rent at that community. They will also have to pay real estate taxes however Seneca Woods was merged into Horizon January 1st and we have applied for tax exempt status which will be a savings of about \$47,000 annually. Seneca Woods has also been moved under the Charlotte Housing Authorities insurance policy which will save them about \$9,000.
- ✓ Under the Collection Loss Report there was a slight increase from the last quarter.
- ✓ The auditors are still tentatively scheduled to return on June 4th and hopefully there will be an audit report available for the July Board meeting.

Consent Agenda Action Items:

Chairman Page explained that these are the Consent Agenda Action Items which previously have been brought before their individual working committee. At this time you can select any item for discussion if you need further information or you can leave all these items as they are shown under consent through **Item 9.A – Item 9.E**. Chairman Page asked if there were any questions. The following questions were asked:

Commissioner Jones had a question concerning the Siegle Point Homeownership Resolution text of the staff description which describes CHA as making a \$500,000 commitment of HOPE VI funds, and there is a chart that showed a comparison of what was done previously and what is being done presently. Instead of showing \$500,000 it is showing \$425,000 and he could not make the math work. Michelle Allen, Development

Officer explained that there is an additional contingency in the report. When CHA revised the program initially it was set up to target folks at 40% and we realized that just did not work. We still want to make sure that there are buyers, particularly the CHA resident buyers, who are not at 50% – 60% which is probably more of a starting point for this program. Therefore we added an additional contingency of about \$75,000 that is not really included in this chart to cover those

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Buyers, should we get any. We are hoping that we will get three or four CHA residents who are clearly not at 50%. They will need additional funds therefore we built that in.

Commissioner Miller stated that on the resolution for Second Ward there is a substitute that was passed out and that this is the version that we will be voting on. Additionally it was mentioned by Commissioner Miller that this resolution is contingent upon things going along the same path that they are presently. However, if things do change it appears that we can revisit. It was noticed by Commissioner Miller that one thing that did change is that the City's contribution is coming out of the Housing Trust Fund and Commissioner wanted it noted that he was not happy with the City's decision.

ACTION:

Motion was made to approve with the amended resolution:	Commissioner Jones
Motion was seconded by:	Commissioner Moffat
Outcome of the vote:	Passed unanimously

Mr. Woodyard assured the Board that her would send a copy of resolution over to the City and address some of these issues in a cover letter.

Business Agenda Action Item:

9.A Live Oak Apartments TEFRA Hearing

Approve Resolution No. 1480 to authorize the holding of a TEFRA Hearing which is a public hearing established by the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 to hear public opinion on the Issuance of Bonds.

Chairman Page read a prepared statement concerning the purpose of this public hearing. Once the statement was read he asked for any questions/comments, hearing none Chairman Page asked for a motion to close the public hearing.

ACTION:

Motion was made by:	Commissioner Moffat
Motion was seconded by:	Commissioner Moore
Outcome of the vote:	Passed unanimously

General Counsel Sherrod Banks made mention that resolution no. 1480 is actually authorizing the holding of the public hearing, which will support the prepared statement that was just read. Therefore, we should adopt resolution no. 1480 and then ask if there will be public comments. Commissioner Moffat made a motion that we adopt resolution no. 1480, Commissioner Jones seconded the motion. The motion passed unanimously.

Chairman Page then stated upon the advice of general counsel that we reopen the public hearing for and public comments. Hearing none there was a motion requested to close the public hearing.
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The motion was made to close the public hearing by: Vice-Chairperson Peters and the motion were seconded by: Commissioner Moore. The motion was passed unanimously.

Chairman Page asked for a motion to suspend the regular meeting. Commissioner Jones made the motion to suspend the regular meeting and then it was seconded by Commissioner Moore. The motion passed unanimously. The suspension allowed the Board to go into the Horizon Development Properties, Inc. scheduled meeting.

Minutes respectfully prepared by:

Barbara G. Porter
Executive Assistant to the CEO

The next meeting will be held on Tuesday, June 19, 2007; 5:00 p.m. at the Central Office, 1301 South Boulevard, Charlotte, NC 28203.

**Horizon Acquisition Corporation
Meeting of Directors
AGENDA**

*Charlotte Housing Authority
Central Office
1301 South Boulevard
Charlotte, NC 28203*

June 19, 2007

Directly After CHA Board Meeting – Meeting Convenes:

Regular Meeting Agenda:

1. Additions to the Agenda
2. Consideration to Approve the Minutes for:
 - Meeting held on *March 20, 2007*
3. **Business Agenda Item:**
 - A. Seigle Point Apartments (p.1)
 - B. Springfield Gardens (p.1)

Business Agenda

Business Agenda items for the May 15, 2007 meeting of the Horizon Development Properties Board of Directors

3. A Seigle Point Apartment Homes

Action: Approve Resolution for the Development of Seigle Point Apartment Homes.

Staff Resource: Kathleen Foster and Michelle Allen

Strategic Business: Real Estate Development

Strategic Goal: Maximize Economic, Social and Physical Value of Real Estate

Explanation:

The CHA previously approved the project through Resolution No. 1350 in February 2006. The resolution for the development of Seigle Point Apartment Homes is needed to allow Horizon Acquisition Corp (Horizon) to carry out its assigned duties associated with the development of the project. Horizon will be the Charlotte Housing Authority (CHA) affiliate admitted to the ownership structure for the project. The admission of Horizon will allow for a more favorable depreciation schedule that allows the equity investor to provide greater equity to the project.

Committee Discussion: None.

Funding: HOPE VI – Seigle Point (Formerly known as Piedmont Courts)

Attachment: Resolution

3. B Springfield Gardens – Horizon Acquisition Corp.

Action: Approve Resolution to Amend the September 2006 Unanimous Written Consent.

Staff Resource: Twyla Taylor

Strategic Business: Real Estate

Strategic Goal: Maximize Economic, Physical, and Social value of our Real Estate Portfolio

Explanation:

In September 2006 the Board of Directors of Horizon Acquisition Corp. adopted and consented, via Unanimous Written Consent, that the financing of Springfield Gardens was in the best interest of the Company and authorized Crosland Springfield Gardens, LLC, managing member of the ownership entity, to enter into and execute all financial documents. Horizon Acquisition Corp. is a Member of the ownership entity, Springfield Gardens, LLC. At this time the financing structure of the project has changed and the Unanimous Written Consent must be amended.

SOURCE	APPROVED SEPT. 2006	AMENDED AMOUNT
HOPE VI	\$ 765,000	\$1,865,000
Housing Trust Fund	1,235,000	135,000
NCHFA (Equity)	6,475,511	6,475,511
NCFHA (State Loan)	746,962	746,962
BOA (Construction Loan)	5,100,000	5,100,000
Apollo Housing Capital (Construction Bridge Loan)	2,000,000	2,000,000
Federal Home Loan Bank	1,290,000	1,290,000
Total Construction Cost	\$17,612,473	\$17,612,473

The changes that occurred entailed increasing the HOPE VI amount by \$1,100,000 and decreasing the Housing Trust Fund amount by \$1,100,000. This change allowed the CHA to increase the Housing Trust Funds allocated to Live Oak Multi-Family which was previously approved by the CHA Board of Commissioners.

Committee Discussion:

None

Funding:

None

Attachment: Resolution

**MINUTES OF HORIZON ACQUISITION CORPORATION
BOARD MEETING HELD ON TUESDAY, MARCH 20, 2007**

Regular Meeting Agenda:

Additions to the Agenda:

None

Consideration to approve the minutes for:

- Meeting held on *December 19, 2006 (revised copy)*

ACTION:

Motion was made to approve revised minutes:	Commissioner Moffat
Motion was seconded:	Commissioner Miller
Outcome of the vote:	Passed unanimously

Business Agenda Item:

3.A Development of 940 Brevard-Senior Apartments

Approve resolution for the development of 940 Brevard-Senior Apartments.
Jeff Meadows, Development Officer, gave a brief update to the Board.

ACTION:

Motion was made to approve by:	Commissioner Moore
Motion was seconded by:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Chairman Page asked for a motion of adjournment.

Motion was made by:	Vice-Chairperson Peters
Motion was seconded by:	Commissioner Moffat
Outcome of the vote:	Passed unanimously

Minutes respectfully prepared by:	Barbara G. Porter Executive Assistant
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